



Financial Management Update

Assistant Secretary of the Air Force (Financial Management & Comptroller)

March 2000

1. Status of Budget Execution Report and OMNIBUS Process. This year's mid-year review is on a very tight schedule! We received your total force FY00 unfunded O&M requirements totalling nearly \$2 billion on 15 March. Although some requests will be covered by existing withholds, most will have to be deferred to the second BER (due 24 July) for another look or declared unaffordable. To be able to pay any additional bills during the BER2 review, we will submit our highest priority unfundeds as candidates for OMNIBUS funding. All Air Force appropriations may submit requirements and/or sources for OMNIBUS reprogramming. Typically, O&M requires net additional funding while the Procurement, RDT&E, and military personnel appropriations are net bill payers. All requirements and sources will be vetted through the Air Force Corporate structure prior to 19 April when our submission is due to OSD. Reprogramming approval usually comes late in the year and is truncated by any sources and/or requirements denied by Congress. We are hoping for a quicker turn this year as Congress could complete their business early. BER2 is necessary to take into account late year execution realities and potential Congressional actions on the OMNIBUS to ensure a smooth landing for FY00. (Lt Col Paul Hough, SAF/FMBOI, DSN 224-7510)

2. Basic Allowance for Housing (BAH) Reform. The new millennium brought with it significant changes in BAH rates throughout the US. These changes were actually initiated several years ago when Congress restructured housing allowances based on recommendations of a DoD Joint Working Group. The group recommended Basic Allowance for Quarters and Variable Housing Allowances be replaced by a new entitlement: Basic Allowance for Housing. The two primary goals of BAH are: (1) equalize out-of-pocket housing expenses (by grade) regardless of CONUS location, and (2) provide more accurate housing cost data, collected by a private contractor. The transition to BAH was completed 1 January 2000, with increased housing allowances for those members living in high cost areas while rate protecting those living in low-cost areas. It was initially decided that members PCSing into low-cost areas would receive the lower allowance dictated by the housing survey. The SECDEF, reviewing this feature, announced his decision to return any area in which rates decreased to their 1999 rates (effective 1 March 2000). He also announced his intention to work with Congress to make the change retroactive to 1 January and reemphasized his intention to buy-down out-of-pocket expenses to 15% in FY01 and to zero over the next five years. (Lt Col Tony Grogean, SAF/FMBOP, DSN 227-3223)

3. Defense Financial Management (DFM). The Defense Financial Management training kicked off in January with great reviews. This DoD Service-sponsored, 5-day course is a much needed course that addresses DoD financial topics in resource management, accounting and finance, and cost and budgeting. We have had overwhelming response from the field making this course very competitive. The course will continue through July at selected sites and there are plans to bring it back next year. (Col Maryetta Pesola, SAF/FMP, DSN 227-2906)

4. Certified Defense Financial Manager. The American Society of Military Comptrollers (ASMC) has renamed their certification program the Certified Defense Financial Manager (formerly known as the Defense Financial Management Certification). Ahead of schedule, testing will start on 1 May 2000 at the Thompson Testing Centers (formerly known as Sylvan). The three-module test will cost \$95 for each module with a \$35 registration fee for ASMC members and \$70 for non-ASMC members. To sign up for the test, go to <http://www.asmconline.org> where you will find the registration form and other

information on the certification program. Only through ASMC can you sign up for the certification testing. (Col Maryetta Pesola, SAF/FMP, DSN 227-2906)

5. Tri-Annual Review. The first tri-annual review for FY00 was completed on 5 February. DFAS-DE provided the management reports to the AFAFO. The MAJCOMs should have received signed statements from their installation comptroller/fund holders attesting to the accomplishment of the review and the accuracy and completeness of the recorded amounts. The AFAFO forwarded management reports for the 90% file and Dormant/MORD file to each of the MAJCOMs. The reports provide important information on the accomplishments of each installation with the new review process. Please be sure that your installations successfully complete the first review. Please also take steps to resolve any remaining issues during the second review. (Ms Linda Yansky, AFAFO/FMFA, DSN 926-5861)

6. Employee/Member Self Service (E/MSS). During the week of 14 February, the E/MSS project office steering committee received a project overview. This overview addressed system response time, beta tests, production testing, and stress testing. After the update, the steering committee decided on an end of February release of E/MSS. As such, E/MSS can now support DoD civilians, US Marines, military retirees, and annuitants. As soon as these individuals receive their PIN notification letters, they will have self-service capability. PIN notification letters will be mailed according to the following schedule: DoD civilians—10 March 2000; military retirees—1/3 on 14 March, 1/3 on 28 March, and 1/3 on 11 April; US Marines—20 March; and annuitants—3 April. (Mr David Gruba, AFAFO/FMFF, DSN 926-5857)

7. Spring Execution Review. The Spring Execution Review is underway once again. This year Acquisition and Financial Management personnel traveled to the product and logistic centers reviewing RDT&E, Procurement, and Modification programs. As always, their goal is to review program execution and find sources for the Omnibus Reprogramming. The review is focused on identifying Air Force dollars that are at risk because of poor execution, program shifts, etc. (Mr Thomas McLemore, SAF/FMBIP, DSN 224-5704)

8. Congressional New Start Notification. A New Start Task Force was formed to address increased media attention and Congressional concerns. The Task Force has developed a training package discussing the legal basis for this notification requirement, recent Congressional concern, policies and procedures, and various case studies. Secretary Peters starred in a short video that opens the training session, relaying the emphasis both he and General Ryan place on this subject. Currently, the team has traveled to 12 locations training over 5,600 people. When complete, the team will have visited 18 bases (mostly Product Centers, ALCs, and major commands) and trained over 8,000 people. A new start web site has been created (http://www.saffm.hq.af.mil/FMBI/newstarts_shtml) that contains Secretary Peter's policy letter, draft AFI Interim Changes, and the training slides used by the team. (Mr Thomas McLemore, SAF/FMBIP, DSN 224-5704)

9. Total Force Assessment (TFA). In preparation for the next Quadrennial Defense Review (QDR), the Air Force must determine its total requirement (force structure, equipment, and manpower) given the changing national security environment. The CSAF has recently approved conducting a TFA for wartime manpower requirements focusing on steady state (i.e., Expeditionary Aerospace Force) requirements and two major theater war scenario requirements. Each functional will validate deployment requirements, develop standardized levels of service for non-deploying support forces, and properly categorize support forces (e.g., deploying, in-place warfighter). Each MAJCOM will need to justify their unique requirements (SIOP, space, strategic airlift, special ops, national intelligence, etc.), document exceptions to standardized levels of service, and implement the Air Staff functional guidance. The TFA will require intensive HQ USAF, MAJCOM, and to a lesser extent, wing-level involvement for approximately the next 18 months. (Lt Col Yolanda Grove, SAF/FMPC, DSN 224-5398)

10. Acquisition Professional Development Program (APDP) Records Information. All acquisition personnel are advised to review their records at web site http://www.safaq.hq.af.mil/acq_workf_training/. Click on Acquisition Surf on the left side of the screen. Personnel who completed courses pre-DAWIA (Defense Acquisition Workforce Improvement Act) may note their acquisition informa-

tion is incomplete. Points of Contact (POCs) are also listed if you need further information. (Maj Mary Carr, SAF/FMP, DSN 223-9179)

11. Web-Based Financial Management Training. Over the last few months, we have updated the SAF/FM web site with links to several new training tools. Through the course of our travels and conversations with other commands and Federal Agencies, we often find many tutorials or training programs that we believe could be useful to the Air Force financial management network. Following is an updated list with the current link and a brief description of the content of the SAF/FM Web Site:

Systems Acquisition School

<http://www.tasc.hexagon.net/VirtualSchoolhouse/Customers/SAS/homepage/mainframe.htm>

This site has the following courses available: Acquisition Reform, Activity Based Costing, Contract Repair Enhancement Program, Current Topics in Financial Management, Earned Value Management System, Integrated Product Support, Modification Management, Risk Management, and Weapon System Pollution Prevention.

PPBS Tutorial

<http://www.xp.hq.af.mil/xpp/training/ppbstutorial/start.htm>

This site contains a tutorial on the Planning, Programming, and Budgeting System. It introduces a new programmer to the PPBS process with brief discussions of the planning, programming, and budgeting phases and the associated documents and products developed in each phase.

RA Tutorial/Intro to Fin Mgmt

<http://www.saffm.hq.af.mil/saffmra/>

This tutorial provides the basic concepts of financial management and will help new financial managers learn the terminology of resource management. It was designed to provide a newly appointed resource advisor with an overview of the Resource Management System, but it would be useful for any new financial manager to become familiar with the information contained in the tutorial.

Certifying Officer/Accountable Official Tutorial

<http://www.saffm.hq.af.mil/coaotut/>

This course is designed to familiarize financial managers with their duties and responsibilities as a certifying officer or accountable official in the Resource Management System. It is broken down into three modules: TDY, PCS, and Purchase Card. New modules will be added as additional information and policies are developed.

Comptroller Contingency Training Course

<http://saffm.org/ccc/html/ccc.htm>

This course is designed to be a prerequisite for enlisted personnel deploying as an agent or for others deploying to an agent operation. This course explains the basics on how to manually perform agent accountability and how to manually prepare documents. It currently contains 16 modules written in a Microsoft Word format that can be downloaded and printed by the student. Within the next year, our plan is to develop the material into a computer-based training program, similar to a board game, where the student performs various practical exercises and then balances the business and compares totals against the computer's records.

Anti-Deficiency Act

<http://www.saffm.hq.af.mil/FMP/ada.html>

The Antideficiency Act (ADA) Investigating Officer Training course delivers just-in-time training to individuals designated as ADA investigating officers. The training focuses on (1) identifying and documenting the facts, circumstances, and causes surrounding the potential ADA violation, (2) taking

testimony from individuals having knowledge of transactions and events surrounding the suspected violation, including the individual(s) identified as potentially responsible, and (3) reporting the investigation results in a Report of Violation.

Receiving Report Training

<http://www.safaq.hq.af.mil/contracting/toolkit/rcvreports/>

This is a quick training program that shows each step in the receiving report process. It would be useful for anyone that deals with the Accounting Liaison Office or one of the DFAS OPLOCs on receiving reports.

OJT Training Guides

<http://www.saffm.hq.af.mil/ENL/ojtfiles.html>

This site contains scenario-based training exercises for tasks associated with the Financial Management and Comptroller career field. The files are in Microsoft Word and can be downloaded for printing and use by the trainer and trainee.

Automated Business Services System (ABSS) Training

<http://www.abss.wpafb.af.mil/training/training.html>

These training files contain video and audio demonstrations on the use of ABSS. Simply download the Lotus Screen CAM training file and double-click on it to launch the program. The files are self-extracting files, but they are still large and may take a while to download. The files are broken into modules for the ABSS user, module manager, certifying officer, ABSS administrator, BCAS user, approver/coordinator, and the accepting officer.

MICROBAS/OARS

<http://web2.ssg.gunter.af.mil/first/training/index.html>

This site contains the MICROBAS User's Guide and student materials such as the Student Handbook. MICROBAS is the system that allows users to retrieve specific financial data for use in budget formulation or execution reports. It also links to the OARS online training course and the corresponding Student Handbook. OARS is the Obligation Adjustment Report System and is used to receive approval authority to make upward adjustments to valid obligations. (SMSgt George Varga, SAF/FMPC, DSN 224-5399)

12. Integrated Automated Travel System (IATS) Configuration Control Board (CCB). The IATS change release 5.2 was mailed out on 14 October 1999. Release 5.2.1 deployed on 1 March 2000. This special release will support the DFAS Integrated Paying and Collecting System (IPC) Re-homing (IPCR) initiative. The IATS CCB met on 2 February 2000 to develop release 5.3. They reviewed 146 systems change requests (SCRs) totaling almost 3,000 contractor programming and testing hours to complete. DFAS-HQ limited the available hours to 480 for this release to ensure that the IATS contractor could start work on converting IATS from a DOS-based program to a Windows-based program as soon as possible. A total of 18 high priority SCRs were approved for release 5.3. The 6 that were of primary interest to the Air Force are: SCR X-0156 House Hunting trip when Alaska or Hawaii is a PDS; SCR X-0251 Audit asterisk disappears with "give back" to examiner option (fraud); SCR X-0285 Dity tax reporting problem; SCR X-0286 Bogus dates on EFT change report (fraud); SCR X-0296 Incomplete list of initials printed on voucher (fraud); SCR X-0293 Split Disbursements of AF advances. Projected deployment of release 5.3 is August/September. The Window conversion schedule is under negotiation with the contractor. (Lt Col Frederick Dudek, AFAFO/FMFF, DSN 926-5856)

13. Defense Civilian Pay System (DCPS) Configuration Control Board (CCB). The DCPS CCB was held in January. The next seven releases were outlined with the majority of time spent on 00-1 target for February and 00-2 targeted for May. Release 00-1 contained 25 system change requests (SCRs) while release 00-2 contained 18 SCRs. Of the top 25 SCRs remaining after 00-1, seven were in release 00-2, three have the analysis and design completed, seven have the analysis completed, and seven are

on the analysis and design schedules. The majority of DCPS SCRs are generated by the three pay centers. However, the Services generated SCRs were reviewed. Only one Air Force request remains outstanding. It was evident that the DFAS pay centers are starting to take a hard look at what drives their workload. Charleston, for example, is developing a system to track debt cases. They had 14,000 between May and mid-December of 1999. Pensacola is looking at late transmission of time card data. The Air Force does not appear to be a problem in either case, but the message seems clear that customer caused workload is getting additional attention. (Lt Col Frederick Dudek, AFAFO/FMFF, DSN 926-5856)

14. Status of AFI 65-103, Volume One, Travel—Policy and Procedures for Financial Service Offices, and AFI 65-103, Volume Two, Temporary Duty Orders. The updated AFI 65-103, Volume One (old AFR 177-103) and the AFI 65-103, Volume Two (revised Sep 97 edition) are both in the final stage of editing before being forwarded to MAJCOMs, HQ USAF/DPR, HQ USAF/ILT, HQ USAF/SAF, and PDTATAC for review. Final publication is expected June 2000. (MSgt “Budd” Johnson, AFAFO/FMFF, DSN 926-5860)

15. Funds Certification. A 2 February 2000 policy memorandum was sent to the field to address concerns regarding a lack of formal procedures for appointing funds certifying officials. When AFR 177-101 was converted to a DFAS regulation, the delegation and appointment process was not fully incorporated into the new regulation. Instead, bits and pieces were incorporated into several Air Force and DFAS regulations. The 2 February policy memorandum pulls all of this back together into one document. The policy and a clarification memo that covers Tenant Units can be found on the AFAFO web site (<http://www.saffm.hq.af.mil>). The basic procedure calls for the holder of funds to delegate appointment authority to the FSO, who will then appoint and train all funds certifying officials. (Maj Eric Gutzait, AFAFO/FMFF, DSN 926-5859)

16. Deployment Regulations. In response to Kosovo Lessons Learned item #11 (access to AFIs and Regulations), a list of on-line comptroller regulations was compiled and added to the AFAFO web site (<http://www.saffm.hq.af.mil>). It was created using MS Word and takes advantage of hyperlinks to access each web address. The next step is to provide these AFIs and regulations in a portable form, i.e., a CD. We are consulting with the Defense Printing Service (DPS) for this option. (Maj Eric Gutzait, AFAFO/FMFF, DSN 926-5859)

17. Establishing Limited Depositary Accounts (LDAs). One of the lessons learned from Kosovo was that the DoD Financial Management Regulation gave inadequate detail on the proper procedures to follow in establishing an LDA. We asked DFAS/DCMO to publish an interim change to clarify and flesh out the procedures. They declined. In order to meet this need, we have drawn up procedures that supplement the DoDFMR without contradicting it. As soon as this document has been fully staffed, we will publish it in the form of a policy letter. (Mr David Gruba, AFAFO/FMFF, DSN 926-5857)

18. Deputy Disbursing Officer (DDO) Training. In compliance with Secretary Hale’s wishes, DFAS-DE conducted two training classes for DDOs in January and February. A total of 122 people were trained at these classes. Combined with the 50 people trained at AFAFO sponsored classes at Sheppard AFB TX, and approximately 25 people trained at one OPLOC, almost 200 people have received DDO training in the last 13 months. (Mr David Gruba, AFAFO/FMFF, DSN 926-5857)

19. AFPAM 65-110—Deployed Agents Operations. We have received the final pieces of information necessary to finalize this publication. We will have it on the street by 31 March 2000. (Mr David Gruba, AFAFO/FMFF, DSN 926-5857)

20. AFAFO Positions Located at Columbus. The AFAFO has established two new positions that will be located at the DFAS Columbus Center. The duties of these individuals will include: focusing attention on those contracts/obligations important to commands/installations; provide a presence in the DFAS-CO Center to emphasize SAF concerns; be a focal point to assist commands with getting their cases processed; and act as an on-site representative for the MAJCOMs to intervene in critical cases to raise the interest level and bring them to resolution. The position descriptions for a GS-510-

12T13 and a GS-510-13 are complete and a request for hiring action forwarded. The AFAFO expects to start the interview process the end of March 2000. (Mr Lee Franklin, AFAFO/FMFA, DSN 926-5855)

21. Update on Mandatory EFT for Vendor Payments Effective 1 February 2000. The AFAFO staff facilitates weekly conference calls with SAF/AQC, DFAS-DE/FT, and DFAS-DE/OPLOCs to discuss EFT problems that come up in timely vendor payments. Initial results, which have been provided to the MAJCOM/FMFs weekly, have shown the problem is not as bad as expected—less than 80 contract/invoices per week are returned to contracting or the vendor. This can be attributed to all the hard work and partnering by SAF/AQC, MAJCOM/FMFs and LGs, and DFAS-DE/FT. DFAS-DE/FT has made a big effort to ensure a payment can be made, but when no other options are available, the contract or invoice is returned to the responsible office. (Mr Tom Prochazka, AFAFO/FMFA, DSN 926-5863)

22. Lost Discounts on the Rise. The AFAFO has forwarded a memorandum to DFAS-DE/F with concerns on the rise in lost discounts. Lost discounts rose from an average of approximately \$10,500 per month for the last four months of calendar year 1998 to an average over \$327,000 for the same four months of calendar year 1999. In December 1999, the lost discounts exceeded the total prompt payment interest paid on late payments. These disturbing figures are lost dollars. The AFAFO staff will partner with DFAS-DE/F, if necessary, to determine the cause of this continual upward trend and assist in developing procedures to bring the lost discounts down to a manageable level. We will provide the MAJCOMs more information as it becomes available. (Mr Tom Prochazka, AFAFO/FMFA, DSN 926-5863)

23. Quality Assurance (QA) AFI. The QA AFI is nearly complete! This instruction provides guidance for the QA Manager (QAM) in base level operations. It encourages a proactive approach by management to enhance quality of operations while ensuring adequate internal controls to safeguard government resources. Final publication is expected this spring. (Ms Rebecca Weglage, AFAFO/FMFA, DSN 926-5862)

24. Self-Inspection Program. The AFAFO is developing a web-based self-inspection program. The program flowcharts tasks within the financial management community to determine which tasks relate to internal controls/fraud prevention or to a critical work process. Objectives of this initiative include streamlining the number of checklist questions, developing checklist questions for QA, financial analysis, and NAF, producing one Air Force-wide checklist on the web, to use as an aid in training. Initial release is scheduled for June. (Ms Rebecca Weglage, AFAFO, DSN 926-5862)

25. Y2K. After sufficient testing and adherence to its Y2K Contingency and Continuity of Operations Plans, the AFCAA has not experienced any Y2K-related incidents before or after the Year 2000 rollover. (Ms Debbie Cann, AFCAA/FMR, DSN 664-0402)

26. Activity Based Costing/Management (ABC/M Update). Dr Gerald Kauvar, SAF/MI, and Mr Joseph Kammerer, SAF/FMC, briefed Dr Gansler, OUSD(A&T), on the Air Force ABC/M Implementation Plan on 20 January 2000. Dr Gansler approved the plan that builds ABC/M into ongoing reengineering efforts and the R-TOC infrastructure strategy. During the meeting, there was general agreement that knowledge sharing among the Services and Agencies was needed and that specific experience in individual business areas should be a part of the standard reporting process to the OUSD(A&T). This coincides with one of the goals in our ABC/M Pilot Program where we will share our experiences at the next Air Force ABC/M Conference. The conference is tentatively scheduled for 26-30 June 2000 at Hanscom AFB MA. In addition to sharing knowledge among the attendees, the purpose of this session will be to review: the status and progress of ABC/M pilots, software deployment, development of an overarching Air Force model, and potential new ABC/M candidates. To encourage commands to use ABC/M, General Lyles, AF/CV, approved an incentive plan that provides \$10M to match savings obtained from ABC/M efforts and \$4M for the purchase of ABC/M software. SAF/FMC is working the funding of these incentives and will notify the commands as soon as a decision has been reached. The Air Force has adopted ABC/M as a tool that can help us make better decisions, manage our processes, and reduce costs. The concept of ABC/M is relatively easy, the implementation of ABC/M is where it gets tough and requires focus, commitment, patience, and

change management. For more information on ABC/M, contact SAF/FMCE. (Mr Jerry Maatta, SAF/FMCEE, DSN 223-9346)

27. SAF/FM Web Site. The SAF/FM Web Site had significant additions and revisions this quarter. Included are The Air Force Comptroller Magazine Quiz, User Site Survey, FY02 Data Call, Budget Estimate Submission (BES) page, President's Budget (PB) page, SAF/FM Employment Opportunities page, Government Travel Card page, Enlisted On-the-Job-Training page, and OSD Obligation Goals page. In addition, key personnel and organizational charts have been updated. (Ms Debbie Cann, AFCAA/FMR, DSN 664-0402)

28. Air Force Total Ownership Cost (AFTOC). AFTOC provides comprehensive and timely cost information with primary focus on major Air Force weapon systems. The AFTOC web site can be found at <http://www.aftoc.tasc.com>. Recent highlights of the second quarter of FY00 are described below.

AFTOC User's Conference. The AFTOC Program Office hosted a User's Group Conference 8-10 November 1999 in Columbus, Ohio. Training was provided on an Excel plug-in tool (ESSBASE) and on Cost Per Flying Hour (CPFH) search tools. ESSBASE provides direct access to the data cubes for web-enabled users allowing custom report generation. The Conference provided attendees useful information and training, as well as the opportunity to interact with the providers, users, and managers of cost saving management initiatives. The next AFTOC User's Group Meeting is tentatively planned for May 2000. (Mr Bill Smith, AFCAA/FMFT, DSN 332-9246)

Enhanced National Stock Number (NSN) Visibility. AFTOC has increased the level of detail available for Depot Level Repairables (DLRs) in the CAIG report. The user can now drill down to NSN data by aircraft, subsystem, base, or MAJCOM. Before, only summary NSN supply transactions by aircraft or subsystem was available. (Mr Scott Belford, AFCAA/FMFT, DSN 664-0462)

Recent AFTOC Uses. AFTOC recently provided a password to the Secretary of the Air Force at his request. SAF/AQCP and General Counsel approved AFTOC C-130 data for release to contractors bidding on an avionics modernization program contract. AF/ILSY reviewed AFTOC data for consideration as the source inputs to the System Executive Management Report (SEMR). They are currently coordinating a recommendation to convert to AFTOC as the source for future SEMR reports. SAF/AQPS and AF/ILSY used AFTOC data on Air Force engines to determine related engine costs and establish a MOD funding baseline. The engine IPT will use AFTOC data to support recommendations for engine cost improvements. (Mr Scott Belford, AFCAA/FMFT, DSN 664-0462)

Reduction in Total Ownership Cost (R-TOC). Current support to R-TOC includes participation in reviews and analysis of unfunded cost saving management initiatives on pilot programs. Recommendations were provided to OSD for inclusion in a Program Budget Decision (PBD) to fund these initiatives. Future efforts are being planned for AFTOC and R-TOC to jointly build a training session to teach users how to use AFTOC and how to apply the data to R-TOC in establishing their cost savings initiatives and cost baselines. (Ms Lynn Davis, AFCAA/FMFT, DSN 664-0451)

29. Housing and Utilities Privatization. The Air Force continues to press forward on both its housing and utilities privatization programs. SAF/FMCE held a privatization workshop for MAJCOM and base financial analysts in early March. The response was positive and several common themes emerged. Most importantly, our FM analysts stressed the importance of (1) cooperation between the FM and CE communities, and (2) support from their superiors for these important activities. SAF/FMCE is working with the CE community to develop a user-friendly model for calculating the life-cycle costs of utility privatization projects. This product should be finished soon and will be posted on the SAF/FM web site. (Maj Randy Howard and Maj Alan Laverson, SAF/FMCEE, DSN 227-1152)

30. NAF Oversight Guidance Update. We have developed Financial Management Training Aid (FMTA) #16, Establishing and Maintaining Supporting Documentation & Reporting Responsibilities. This training aid provides detailed guidance to NAFFAs for establishing and maintaining a record of supporting documentation for each NAF oversight review performed. It also provides guidance to the

NAFFA's on reporting responsibilities to the proper levels of management. Our thanks go to the MAJCOMs for their input in making this an effective and efficient product. We are revising AFI 65-106, Appropriated Fund Support of Morale, Welfare, and Recreation and Nonappropriated Fund Instrumentalities. It was written in 1994 and over the last six years, many changes and clarifications have been made in Congressional, OSD, and Air Force guidance. We have drafted an interim change (IC) to address some of the most urgent issues. We will also release an IC to AFI 65-107, Nonappropriated Fund Financial Management and Oversight Responsibilities. This IC will delete paragraph 2.7.7.1, which requires NAFFAs to ensure Services' Resource Management Flight Chiefs (RMFCs) conduct quarterly surprise checks on inventories maintained on POS systems. The RMFCs are no longer required to conduct these quarterly surprise inventory checks, therefore the NAFFA review is not required. (Ms Sonya Henderson, SAF/FMCEB, DSN 227-0950)

31. Recurring Nonappropriated Fund Oversight Training. The FY00 MAJCOM NAFFA/SVF workshop at the Air Force Academy on 25-27 January was outstanding. In addition to the many issues discussed, the extensive agenda allowed us to grant participants 20 hours of continued professional education (CPE). Installation NAFFA workshops are scheduled for: AFMC and AETC from 4-6 April at Wright-Patterson AFB OH; USAFE from 16-18 May at RAF Fairford UK; AMC and 11WG from 6-8 June at Scott AFB IL; AFSPC, ACC, AFRC, AFSOC, and USAFA from 13-15 June at Patrick AFB FL; and PACAF from 25-27 July at Yokota AB JA. These workshops will consist of current issue updates, upcoming policy changes, and training in specific areas of NAF oversight and financial management responsibility. We are authorized to grant participants 20 hours of CPE for these workshops also. These workshops are a coordinated effort between Air Force Services and SAF/FM. (Mr Kenneth Lescarbeau, SAF/FMCEB, DSN 227-9414)

(Signed)

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